



NEWS RELEASE

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SBA SIGNS AGREEMENT WITH REPUBLIC OF KOREA'S SMALL AND MEDIUM BUSINESS ADMINISTRATION TO SPUR BUSINESS OPPORTUNITIES

WASHINGTON - U.S. Small Business Administration (SBA) Administrator Aida Alvarez today signed a partnership agreement with the Small and Medium Business Administration of the Republic of Korea (SMBA) to encourage the development of bilateral trade and promote trade opportunities for U.S. and Korean small businesses.

"Signing this agreement will continue the SBA's outreach effort to increase trading with our overseas partners," Administrator Alvarez said. "I look forward to working with the Korean Small and Medium Business Administration, and to establishing formal partnerships with other international organizations in the future."

The SMBA is the central government agency for growth and support of small- and medium-sized enterprises (SMEs). Korea has a well-established program of assistance to SMEs that includes credit guarantees, financial assistance, support for women-owned businesses, marketing assistance, import and export opportunities, and e-commerce.

The partnership agreement commits SBA and the SMBA to combine their efforts to encourage dialogue among U.S. and Korean businesses and foster strategic alliances among U.S. and Korean business owners.

"Today, we become partners in promoting the growth of small business," Administrator Alvarez added. "Our partnership illustrates SBA's commitment to ensure that small businesses have the opportunity to benefit from the nation's strong economy."

Last month President Clinton ordered the establishment of a new Interagency Task Force on Small Business Exports to develop strategies to help small businesses take advantage of the Clinton Administration's foreign trade agreements, particularly those included in under-represented populations.

"The establishment of the task force is another step forward for the Clinton-Gore Administration's support of free trade," Administrator Aida Alvarez said. "SBA has effective resources to help identify opportunities and unleash the untapped potential of new market communities created by these initiatives aimed at lowering barriers to trade for U.S. small businesses."

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The establishment of the Small Business Exports Task Force will expand the federal government's outreach to new market communities and increase international opportunities for small business owners to tap into the growing global economy.

New market communities are population and geographic sectors of the country that have economic potential, yet have been bypassed in securing the benefits of the expanding U.S. economy. Encouraging and assisting companies to export their products is a key part of the growth of the U.S. economy and a focus of the SBA.

In 1997, Korea was the United States' fifth largest export market overall, and the fourth largest for agricultural products. Merchandise trade between the United States and Korea totaled \$48.3 billion. U.S. imports from Korea in 1997 were \$23.2 billion.

Korea is one of the top 10 Big Emerging Markets for U.S. exporters. There are 2.67 million SMEs in Korea that employ 8.26 million workers. Korea produced \$177.9 billion of U.S. manufactured goods in 1997.

Ninety-seven percent of all U.S. exporters are small businesses. Between 1987 and 1997, the number of U.S. small business exporters tripled. Of the 209,000 U.S. businesses that export, more than 202,000 are small businesses. The fastest growth has been among the "smallest of the small" - businesses with fewer than 20 employees.

The SBA has also entered into trade partnership agreements with Mexico, Argentina, Canada, Egypt and Ireland. These partnerships are based on formal agreements that will help SBA more effectively reach business owners with information about SBA's programs.

For more information on SBA's programs, visit the SBA's website at www.sba.gov or call the SBA Answer Desk at 1-800 U ASK SBA.

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